

<b>TITLE OF REPORT:</b>	<b>BUDGET/PRECEPT 2018/2019</b>			
<b>PROPOSER:</b>	Town Clerk/ Responsible Financial Officer			
<b>SUPPORTED BY:(if applicable)</b>	Internal audit and Financial Regulations			
<b>BACKGROUND:</b> Please describe the reasons for this paper. Is it on behalf of a Working Group? Please provide relevant details, e.g. previous decisions by the Town Council or any external advice. Who is likely to benefit from this decision?	<p>Each year the Town Council sets the annual budget in accordance with the requirements of the rules and regulations that apply to local councils. The budget has three main purposes:</p> <ul style="list-style-type: none"> <li>● It allows the Town Council to determine the precept for the year which is collected by Shropshire Council.</li> <li>● It gives the Town Clerk authority to spend in accordance with Town Council decisions and the Town Council's Financial Regulations.</li> <li>● It provides a basis to monitor progress of annual expenditure by comparison of actual and planned spending.</li> </ul>			
<b>ISSUES:</b> Summarise the key issues arising from the Background (above). Are there any key dates that are relevant?	<p>Members will see from the recent findings of the interim internal audit that the Town Council does not have a strategic budget forecast as required by the Council's Financial Regulations. The Finance and Resources Management Committee reviewed the Council's Forward Plan in November and, after reducing its content, agreed that it should be re-named the Critical Commitment Plan, a copy of which is included with this report. The Town Council's last approved Action Plan is also included with amendments shown in <b>green</b>.</p>			
<b>LEGAL OBLIGATIONS:</b> Wherever possible please check on any likely legal implications.	<p>Because the Town Council's annual turnover is in excess of £200,000 the Council should also comply with the Local Government Transparency Code 2015. This Code expects local councils to demonstrate how money is spent, how their assets are used, how decisions are made and to acknowledge and seek to deal with issues that are important to local people.</p> <p>The Town Council's Financial Regulations state at 3.3: <i>"The council shall consider annual budget proposals in relation to the council's three-year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly"</i>.</p>			
<b>FINANCIAL IMPLICATIONS:</b> Please state the costs if known-capital costs as well as on-going revenue costs. State whether funding will be from external sources or from the Town Council.	<p>The Town Council currently has reserves of £244,484, of which £138,845 is allocated and £105,639 is unallocated.</p> <p>The draft budget for 2018/2019 includes:</p> <ul style="list-style-type: none"> <li>● Appropriate salary/wages increase in accordance with the national minimum wage and contracts of employment.</li> <li>● Increased insurance to insure the Guildhall for £10m.</li> <li>● Reduction in the staff training budget.</li> <li>● Provision for a Data Controller.</li> </ul> <p>Last year's budget included £18,200 income from rent for the library and £18,200 in expenditure, which had a nil effect on the overall budget so the difference between the 2017/2018 income and the 2018/2019 income is circa £2,000.</p> <p>There is a possibility that income from markets may be reduced this year because the craft markets have not been confirmed.</p>			
<b>COMMUNITY BENEFIT</b> Please state what benefit this proposal will bring to the community ( <b>mandatory</b> )	Provision of local services.			
<b>COMMUNICATIONS:</b> Who else should be informed if the proposal is approved?				
<b>MEDIA AND PROMOTIONS:</b>	<i>Does this need media coverage?</i>	YES		NO
<b>TOWN CLERK'S COMMENTS:</b> Including any implications on Town Council staff requirements.	<p>The draft 2018/2019 budget is £1,897 less than the 2017/2018 budget. This is a decrease of 1.03% which equates to £2.02 less per household per annum. It is recommended that the budget remains the same as 2017/2018 to allow for a possible reduction in income and that the £1,897 is included in "Town Promotion" because new flower planters are to be installed at two gateways into the town and it will probably fall to the Town Council to provide the floral displays for these.</p> <p>The cost per household for a precept of £183,926 in 2017/2018 was £155.38. The cost per household for a precept of £183,926 in 2018/2019 will be £154.95 being a reduction of 43pence per household per annum.</p>			

<b>PROPOSAL:</b> What specifically do you want the Town Council to decide on?	That the Town Council <ul style="list-style-type: none"> <li>● approves a budget of £239,556 with a precept of £183,926 for 2018/2019 and</li> <li>● approves a strategic budget forecast as required by its Financial Regulations.</li> </ul>
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Date of Town Council meeting at which this will be considered: 11 January 2018-----

*For office use only*

APPROVED:		DATE:		MINUTE NO:	
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